

P-427, 421/CP-85-652 ORDER DIRECTING RESPONSE TO INFORMATION
REQUESTS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
Cynthia A. Kitlinski
Dee Knaak
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Chair
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for
Extended Area Service Between
the Zimmerman Exchange and the
Minneapolis/St. Paul
Metropolitan Calling Area

ISSUE DATE: February 20, 1992
DOCKET NO. P-427, 421/CP-85-652
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INFORMATION REQUESTS

PROCEDURAL HISTORY

On September 10, 1985 certain subscribers in the Zimmerman exchange filed a petition requesting Extended Area Service (EAS) between the Zimmerman exchange and the Minneapolis/St. Paul metropolitan calling area. The Commission began examining the petition under existing EAS Rules. This examination was prolonged by two developments. First, the telephone company serving the Zimmerman exchange, Sherburne County Rural Telephone Company, filed a notice of objection, requiring contested case proceedings. Second, the Commission consolidated this petition with other petitions for EAS to the metropolitan calling area. The consolidated proceeding also went to contested case hearing. In April 1990 the Minnesota Legislature enacted new EAS legislation, which changed the standards for evaluating EAS petitions. Minn. Stat. § 237.161 (1990). On June 26, 1990 the Commission issued an Order finding that the Zimmerman exchange met the adjacency and traffic requirements of the new statute. That Order also directed telephone companies serving the Zimmerman exchange and the metropolitan calling area to file cost studies and proposed rates for EAS between Zimmerman and the metropolitan calling area.

Cost studies and proposed rates were filed. However, the Department of Public Service (the Department), which examines cost studies and proposed rates prior to Commission review, requested additional time to analyze the filings, due to a backlog of EAS petitions. The Commission granted a time extension.

On May 30, 1991 the Department filed another request for a time extension. The Department stated that Sherburne County Rural Telephone Company (Sherburne), which serves the Zimmerman exchange, and U S West Communications, Inc. (USWC), which serves portions of the metropolitan calling area, were unable to agree on a "meet point" for carrying traffic along the proposed EAS route. The Department stated it could not complete its analysis

of the cost studies and proposed rates until that issue had been resolved.

On July 16, 1991, the Commission issued its ORDER REQUIRING NEGOTIATIONS AND ESTABLISHING TIME FRAMES in this matter. The Order established a time frame for the filing of information in this proceeding by Sherburne County Rural Telephone Company (Sherburne), which serves the Zimmerman exchange, and U S West Communications, Inc. (USWC), which serves the majority of the metro calling area. The Order also stated that if Sherburne and USWC could not negotiate a resolution of the meet-point issue, the Commission would resolve it.

On August 9, 1991, USWC submitted a letter to the Commission indicating that it had reached an agreement with Sherburne on the meet point issue. In that letter, USWC also requested a 45 day extension to file its revised cost study and proposed rates.

On September 23, 1991, the Commission issued an ORDER GRANTING TIME EXTENSION, giving the affected telephone companies until October 14, 1991 to file cost studies and proposed rates that, unlike those filed previously, were based upon the same traffic routes. The affected telephone companies were: USWC, Sherburne, GTE of Minnesota (GTE Minnesota), Vista Telephone Company of Minnesota (Vista), United Telephone Company (United), Scott-Rice Telephone Company (Scott-Rice), and Eckles Telephone Company (Eckles).

On October 16, 1991, the affected telephone companies filed their cost studies and proposed rates. Revisions to those cost studies and proposed rates were submitted as late as November 19, 1991.

On December 2, 1991, the Department filed a request for a three week extension for filing its report and recommendation regarding Sherburne's cost studies and proposed rates.

On December 4, 1991, the Commission issued an Order in this docket requiring Sherburne to submit a plan for a lower cost alternative to flat rate service as required by Minn. Stat. § 237.161, subd. 1 (c) (1990).

On January 3, 1992, Sherburne filed its proposed lower cost alternative to basic flat rate service.

On January 15, 1992, the Commission issued an Order granting the time extension requested by the Department on December 2 regarding its report on Sherburne's cost studies and proposed rates. The Department was given until February 5, 1992 to submit its reports and recommendations.

On January 21, 1992, the Department requested a 15 day extension to file its comments on Sherburne's proposed lower cost alternative. The Department requested an extension to

February 5, 1992, the date that its comments on Sherburne's cost studies and proposed rates were due.

On February 5, 1992, the Department requested a further extension of time to submit its report and recommendation regarding Sherburne's cost studies, proposed rates, and proposed lower cost alternative.

On February 18, 1992, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

The Department explained that its intention to file comments on Sherburne's cost studies, proposed rates, and lower cost alternative to basic flat rate service has been thwarted by Sherburne's failure to respond to a set of information requests. Sherburne acknowledged that it has not responded to the Department's information requests but explained that its efforts to comply with the Department's requests have been hampered by its small staff and competing priorities for staff time. Sherburne indicated that it has prepared, but not sent to the Department, much of the information requested by the Department and that it will require approximately 16 hours of its accountant's time to compile the remaining information.

Under the circumstances and given the importance of proceeding with this matter, the Commission will require Sherburne to provide the Department thorough responses to the currently outstanding information requests within seven (7) days of February 18, the date the Commission met to consider this matter. Sherburne, was present at the hearing in which this matter was considered and this decision reached. The company, therefore, has been provided a full seven (7) days to produce the required information.

To summarize, Sherburne will be required to provide the Department with the requested information on or before February 25, 1992. Sherburne is encouraged to expedite this matter by responding thoroughly to the Department's requests to avoid the necessity of the Department issuing additional information requests to expand and clarify the information provided.

In the event that the Department finds it necessary to issue a second round of information requests to Sherburne, the company will be allowed ten (10) days to provide that information.

ORDER

1. Sherburne County Rural Telephone Company (Sherburne) shall respond thoroughly to the Department's currently issued information requests on or before February 25, 1992.
2. In the event that the Department issues a second round of information requests to Sherburne, the Company shall respond to those requests within ten (10) days of receiving them.
3. Upon receipt of adequate information from Sherburne to base a thorough report, the Department shall promptly prepare and file its report and recommendations regarding Sherburne's cost study, proposed rates, and lower cost alternative to basic flat rate service.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)